

Honolulu Star Bulletin

Aug. 20, 1983



Before the fall: Rewald at polo match.

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After: A Ronson
Rewald waits in police station to be booked after being indicted for theft.



He said he never withdrew any money from the account.

He tried to withdraw. On August 1. But Julie, the woman who answered the telephone, said that business was frozen for 30 days.

Why had he tried to get the money out? There had been a program on television raising some questions about the firm, and

That included \$760,000 in operating expenses, just to keep the fancy Grosvenor Center office open and its many consultants paid and fed, and another \$914,000 to increasingly restive investors. The investors expected that promised 20 percent interest.

But is there any known source of income to BB which would enable it to pay 20 percent of \$17 million every year?

"No sir," Wong testified yesterday.

Did Wong know of any source which would enable the company to pay anything even CLOSE to that amount?

"No," he said.

But it wasn't just the interest.

There was, in the last two months, a half-million dollars for the personal expenses of the man who started it all, Rewald himself. That figure came from the bankruptcy accountant's reconstruction of the company books.

Life in the Rewald style did not come cheap. There was \$9,000 a month for a tutor to educate his children. Then there were the stable bills for polo ponies named "Gucci" and "Feather" and "Trigger" and "Caramel."

And \$10,000 a month to Charles Pietsch Jr. to pay just a part of the interest for the \$3,350,000 ranch Ron was buying from Pietsch; \$10,000-plus for the mortgage on Ron's Kuloouou waterfront home; \$4,000 for the family photos; \$9,650 for the boats; and so on.

Ron's sister Susan Lopnow was in line for \$2,000 a month for something, and uncle Ralph got some money, too, and the in-laws living out on the 20 acres of state land in Waimanalo that Ron was buying from Nolan George IF she said over Approves that purchase